AVID
ASSOCIATION OF VEHICLE IMPORTERS AND DISTRIBUTORS

DASHBOARD

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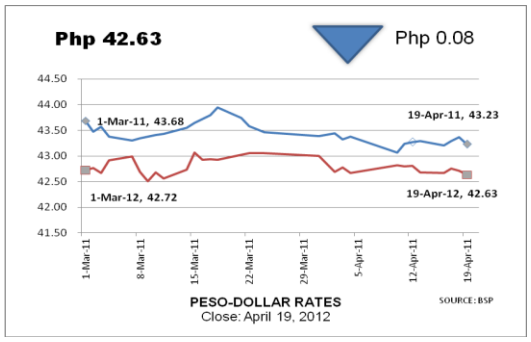

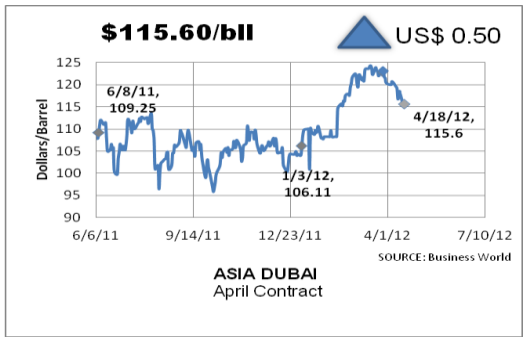

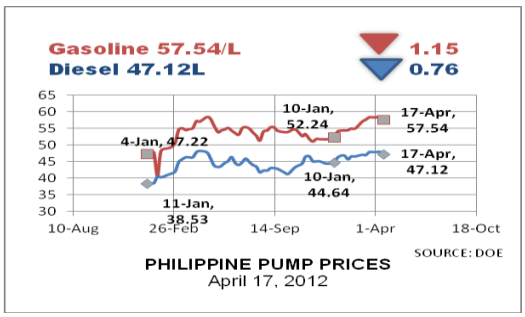

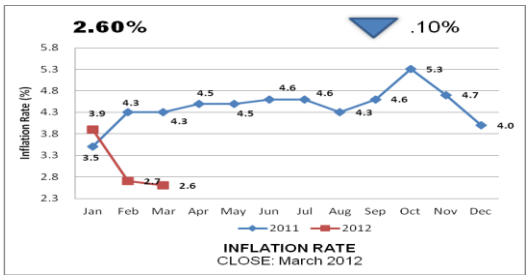

	Thursday, April 19 2012	Last Week	Year ago
Overnight Lending, RP	6.00%	6.00%	6.50%
Overnight Borrowing, RRP	4.00%	4.00%	4.50%
91 day T Bill Rates	2.15%	2.15%	3.85%
Lending Rates	7.93.%	7.94%	7.79%

MACROECONOMIC SNAPSHOT

Economy needs jobs boost from industrial sector

The Philippines can achieve inclusive growth with a stronger industrial sector creating productive job opportunities, the Asian Development Bank said. “The Philippines has a robust service sector which is a pillar of the economy, but the country needs to develop an equally robust industrial sector to create more job opportunities,” ADB senior country economist Norio Usui said during the launch of the “Taking the Right Road to Inclusive Growth” report. Mr. Usui claimed the country’s focus on electronics had led to “exports vulnerability.” “We must remember that last year the country has experienced sharp drop in exports. People say that it was because of the global crisis but then if you check all your neighbours, other countries maintained their exports growth... You concentrate too much on electronics, then you face these difficulties.” he said. (BusinessWorld)

IMF says global economic outlook improving

The International Monetary Fund is more optimistic about the global economy after seeing faster U.S. growth and a coordinated effort in Europe to address its debt crisis. The global lending organization said Tuesday that the U.S. economy should expand 2.1 percent this year. Europe will likely shrink 0.3 percent and the world economy should grow 3.5 percent. All three of the IMF’s estimates are slightly better than its January forecasts. The group praised European leaders for bulking up its bailout fund and taking other steps to address the crisis. The 17 countries that use the euro currency should emerge from a shallow recession later this year, the IMF said. The IMF said the crisis continues to loom as the biggest threat to the global economy. (Philippine Daily Inquirer)

B.S.P. reviews rate cut impact

The Bangko Sentral ng Pilipinas (BSP) said it will assess the impact of two policy-rate cuts in the first quarter, signaling it will likely keep interest rates on hold at its policy meeting today "We will assess the impact of the last two policy adjustments," Bangko Sentral ng Pilipinas Gov. Amando Tetangco told reporters, referring to the two consecutive 25-basis-point rate cuts undertaken in the first quarter. According to Tetangco, inflation is expected to remain manageable, although he said the central bank is closely monitoring oil prices. (Manila Bulletin)

FINANCIAL TRENDS

Index tumbles 13 pts as market consolidates

Local share prices shed a quarter of a percent in light to moderate trading yesterday, as the market started to consolidate at all-time high levels reached in the last two successive days. The main PSEi shed 12.92 points or 0.25 percent to close at 5,173.28. A total of 1.16 billion shares valued at P5.50 billion were traded. Still, gainers led losers 82 to 69 with 52 issues closing unchanged. Overnight on Wall Street, stocks tumbled retreating from their biggest gain in a month as investors turned to safe havens on worries that Spain might light a new fire under the euro zone debt crisis. (The Philippine Star)

P/$ Rate Stands At P42.66/$1

The peso exchange rate closed higher at P42.61 to the US dollar yesterday at the Philippine Dealing & Exchange Corp. (PDEx) from P42.65 the previous day. The weighted average rate depreciated to P42.649 from P42.632. Total volume amounted to $825.65 million. (Manila Bulletin)

INDUSTRY BUZZ

BMW distributor forecasts better sales in H2

Asian Carmakers Corp., (ACC) expects to bounce back in the second semester after recording weak sales early this year. “The first quarter has been challenging. Unlike others, we aren’t suffering supply problems but market demand problems. People are delaying their purchases,” ACC Executive Director Glen Dasig said in a chance interview on Tuesday. The entire industry is still normalizing, he explained, but ACC should recover by the second semester, especially with the much-awaited launch of the all-new BMW 3 Series. (BusinessWorld)

Volkswagen to build new plants in Mexico, China push

Volkswagen AG plans to build new plants in North America and China as Europe's biggest car maker by sales aims to extend its reach on two of the world's biggest car markets and make itself more independent from currency fluctuations. Volkswagen's Audi premium brand is expected to announce later Wednesday a plan to build a new plant in Mexico that could start production of the Q5 compact sport-utility-vehicle in 2015, according to people familiar with the matter. On March 1, Audi Chief Executive Rupert Stadler said a decision on where to build the new plant in North America and which car it would begin production with should be made by summer. The decision is expected to be rubber-stamped at a meeting of VW's supervisory board in Hamburg on Wednesday afternoon, the people said. (The Wall Street Journal)